

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 977 - SB 1205

March 19, 2009

SUMMARY OF BILL: Requires any dealer, broker, or purchaser of more than 50 tons of coal annually to be licensed by the Department of Environment and Conservation (TDEC). Any violation of such licensing requirement will be subject to a fine of up to \$50,000 and suspension or revocation of any license.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$125,000

**Increase State Expenditures - \$23,600/One-Time
\$274,600/Recurring**

Assumptions:

- Approximately 500 licensees.
- A license cost of approximately \$250 based on other similar fees for licenses issued by TDEC.
- The increase in state revenue attributable to new licensees is estimated to be \$125,000 (500 x \$250).
- TDEC will require four additional positions to implement the licensing program. Duties of the new staff would include permit development and public notification, public hearings, routine inspection of site facilities, records review, response to public complaints, enforcement, and report development and distribution. The recurring cost for salary for these positions is \$183,100. The recurring cost for benefits for these positions is \$62,300. Recurring costs for travel, printing, telephone, and network costs is \$29,200. One-time costs for office landscaping, supplies, computers, and software are estimated to be \$23,600. The total recurring increase in state expenditures for these positions is \$274,600.
- Any increase in fine revenue is estimated to be not significant.

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CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/cce